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Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1244 (1999) of 10 June 1999, by which the Council decided to establish the United Nations Interim Administration Mission in Kosovo (UNMIK). In paragraph 20 of that resolution, the Council requested me to report at regular intervals on the implementation of the mandate of UNMIK. The current report covers the activities of UNMIK and developments in Kosovo, Federal Republic of Yugoslavia, since the report of 15 January 2002 (S/2002/62). Matters reported at the Security Council's meeting on 27 March 2002 are referred to as necessary (see S/PV.4498).

II. Provisional institutions of self-government

A. Formation of the Government

2. The most important development during the reporting period was the formation of a Government after several months of deadlock. On 28 February the three major Kosovo Albanian parties reached agreement on forming a coalition Government to be headed by Bajram Rexhepi of the Democratic Party of Kosovo (PDK). The same agreement put forward Ibrahim Rugova of the Democratic League of Kosovo (LDK) as candidate for President of Kosovo and assigned four Ministries to LDK, and two each to PDK and the Alliance for the Future of Kosovo (AAK). In accordance with the constitutional framework, one Ministry was assigned to the Kosovo Serbs and one Ministry to a non-Serb minority community. This last Ministry has been filled by a member of the Bosniac/Gorani Vatan coalition, which has four seats in the Assembly. The coalition agreement was endorsed as a package on 4 March by more than two thirds of the Kosovo Assembly, paving the way for the transfer of responsibility from UNMIK to the newly formed Government in those areas outlined in the constitutional framework.

3. So far, the Kosovo Serb Return Coalition (*Koalicija Povratak* — KP) has not put forward a candidate for its assigned Ministry, that of Agriculture, Forestry and Rural Development, and has called for the allocation to KP of a second Ministry, on Returns, as a quid pro quo for its participation in the Government. The issue of returns is a key interest to the Kosovo Serb community. The formation of such a Ministry would not be possible, however, as the issue of returns is a reserved responsibility of my Special Representative in accordance with the constitutional framework. Instead, my Special Representative, Michael Steiner, has suggested the creation of a Cabinet-level post of Inter-Ministerial Coordinator on Returns in the Office of the Prime Minister to be filled by KP. This position would give the holder the rank of a Minister and the right to participate in Cabinet meetings. He has also offered KP the post of Senior Adviser on Returns within UNMIK's Office of Returns and Communities.

4. With the establishment of the Government, the Transitional Departments were transformed into 10 ministries within the framework of the provisional institutions of self-government. In addition to the originally envisaged nine Ministries, the planned Ministry of Health, Environment and Spatial Planning

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was reorganized into two separate ministries: the Ministry of Health and the Ministry of Environment and Spatial Planning (see organizational chart of UNMIK and the provisional institutions of self-government in annex I to the present report).

5. Beginning its weekly meetings on 15 March, the Cabinet has now met five times. The focus of these first meetings has been a discussion of the Ministries' immediate and longer-term priorities, for which they have a collective budget of 192 million euros (51 per cent of the 2002 Kosovo consolidated budget, see budget charts in annex II). The Prime Minister has emphasized the need to create job opportunities and work towards full inclusion of all communities in Kosovo. These meetings have also largely focused on logistical and personnel issues. A priority personnel issue is the recruitment of Permanent Secretaries for the Ministries. These posts have now been advertised and a Senior Public Appointments Committee has been established to ensure the transparency and fairness of the recruitment process in line with UNMIK regulation 2001/36 on the Kosovo Civil Service.

6. The Government has already made substantive decisions in several areas. The Ministry of Finance and Economy and the Office of the Prime Minister have agreed on a basic pension of 28 euros a month, with effect from 1 July 2002, to be funded from the general revenues of the budget. The Ministry of Education has prepared for presentation to the Assembly priority legislation on higher education and on primary/secondary education. Drafted by education law experts from the Council of Europe, this legislation enshrines equal opportunities for all Kosovo communities in the field of education. The Ministry of Health established the Continuing Professional Development and Education Board to ensure continued training for health-care professionals.

B. Assembly

7. The Assembly Presidency now has a full complement of seven members following the nomination and approval of the two PDK members on 4 March. On 16 April the Assembly, by a two-thirds majority, approved a proposal to have an eighth member (from AAK) join the Assembly Presidency. In accordance with the constitutional framework, which stipulates that changes to it may be effected through a request supported by two thirds of the members of the Assembly, the Assembly President will communicate the Assembly's request to Mr. Steiner. Thus far the Presidency has proved a workable multi-ethnic institution, with the two KP members of the Assembly Presidency regular participants in the meetings. The Assembly Presidency has designed a structure of 16 committees. These cover areas specified in the constitutional framework (budget and rights and interests of communities), the functional areas of the Ministries of the provisional institutions of self-government and additional committees covering issues such as international cooperation and public petitions and appeals.

8. Assembly members have participated in training on various aspects of parliamentary work under the aegis of the Assembly Support Initiative, which is overseen by UNMIK's Institution-Building Pillar (Pillar III). Parliamentarians from both transitional and well-established parliamentary democracies have come to Pristina to share their experience with the members of the Kosovo Assembly. Representatives of most political entities have participated, including LDK, PDK, AAK and KP.

C. Efforts to build a multi-ethnic civil service

9. Efforts to create a multi-ethnic civil service have so far had mixed results. Some Ministries, including the Ministries of Education, Science and Technology, Health, and Labour and Social Welfare, have an acceptable percentage of minority employees, ranging from 10 to 25 per cent. Most have a poorer record, often with less than 1 per cent. The situation is similar at the municipal level, where the average level of minority employment is below 10 per cent.

10. In order to facilitate minority participation in the civil service, a shuttle bus service for civil servants was introduced, mainly for the benefit of minority employees living in locations outside Pristina. Security is provided by mixed teams of Kosovo Albanian and Kosovo Serb members of the Kosovo Police Service. This service has enabled more minority candidates to apply for positions in the provisional institutions of self-government. Since its establishment, minority employment in the Ministries of Public Services and Agriculture has increased from 2.6 to 6.5 per cent and from 0 to 18 per cent, respectively. However, security fears do continue to constitute one of the main barriers

to members of minority communities applying for positions in the civil service of the provisional institutions; over 100 assigned posts are still to be filled by the Kosovo Serb community.

11. Within the Office of the Prime Minister, the Advisory Office on Good Governance, Human Rights, Equal Opportunity and Gender oversees and advises the Ministries of the provisional institutions of self-government. Its Diversity Task Force works closely with the Committee on the Elimination of Discrimination Against Women to create equal opportunities and integrate the concept of non-discrimination. The Kosovo Law Centre also started the Ministerial Empowerment Project, financed by the World Bank, to provide training to the new professional staff of the Ministry of Education, Science and Technology on international human rights standards.

12. At the municipal level, the Institute for Civil Administration, run by UNMIK's institution-building pillar, continues to train municipal staff and Municipal Assembly members for the formation of an apolitical, multi-ethnic professional civil service. Approximately 3,700 municipal civil servants have now undergone training, 18 per cent of whom have been Kosovo Serbs. Over the reporting period, the Institute for Civil Administration held training programmes on "Applicable Law and Separation of Municipal and Central Competencies" and "Gender and Leadership" for over 100 Kosovo Albanian and Kosovo Serb civil servants.

III. Mission priorities

13. My Special Representative, Michael Steiner, assumed his functions in Kosovo on 14 February 2002. Shortly after his arrival, he outlined the following priorities: laying the foundations for economic progress; tackling crime and violence; and creating a fair and safe society for all communities.

A. Laying the foundations for economic progress

14. In 2001, Kosovo enjoyed a relatively stable monetary climate and benefited from a real growth rate of approximately 10 per cent. The average annual household income was approximately 6,700 euro, resulting in a per capita income of approximately €1,100 (see annex III). Private sector growth has benefited from generous inflows of funds from donors and the sizeable international presence, as well as remittances, primarily from Kosovo Albanians living abroad, thought to value €780 million per year. These inflows have, however, led to a significant discrepancy between the amount of wealth generated in Kosovo and the amount consumed. Kosovo remains one of the poorest regions in Europe, with many people in or near absolute poverty. Fifty-five per cent of the population is of working age, and of these, half are believed to be unemployed.

15. A key priority in the economic sector is, therefore, creating jobs. Privatization is seen as an important means of generating economic development and UNMIK is working hard to establish a favourable environment in which this can go ahead within the parameters of Security Council resolution 1244 (1999). The key aim is to attract investment. To this end, UNMIK is seeking to restructure the now dormant socially-owned enterprises. Preparations are under way to establish a Kosovo Trust Agency, which will implement UNMIK's mandate to administer public and socially-owned enterprises. On 17 April, the Special Representative presented the draft regulation on the Kosovo Trust Agency to the Prime Minister for consideration by the provisional institutions of self-government.

16. Another measure that will help the economy, by facilitating foreign trade, was the introduction of the euro at the beginning of 2002. The actual transition process, however, highlighted one of the main problems facing the Kosovo economy, namely economic crime. UNMIK's economic reconstruction pillar estimates that public revenue collection could be operating at only 50 per cent of its potential, with 80 per cent of the shortfall resulting from black market activity by organized criminal groups. In order to combat this drain on the Kosovo economy, the UNMIK economic reconstruction pillar has established a special unit to combat economic crime. During the conversion to the euro, counterfeit notes and coins had to be detected and removed from circulation and particular emphasis was placed on reducing the opportunities for money laundering. Those converting currency outside the normal banking system were asked to provide identification and a system of fees was introduced to discourage large transactions. To help crack down on

money laundering during the conversion process and in the future, all imports of large quantities of cash must now be declared upon entry into Kosovo.

17. During the conversion process to the euro, special arrangements were made for minority communities in Kosovo, many of whom have little or no access to commercial banking services because of security problems. Seven mobile teams toured Kosovo during January and February, visiting a range of locations. These visits, coordinated with the Kosovo Force (KFOR), UNMIK police and the local communities, sought to provide as many residents as possible with a reasonable opportunity to change their money. The final statistics for the currency changeover indicate that 13 per cent of cash conversions occurred in minority areas.

18. One of the benefits of the conversion process was the significant improvement in the use of banking services. Confidence in Kosovo banks has historically been low and most people saved money by hiding cash. Although some confidence has been restored since 1999 by the comprehensive system of licences and regulation established by the Banking and Payments Authority, the greatest single boost to the banking sector came from the fees system, which accompanied the conversion process. Money in bank accounts was converted into euro without charge, but fees were imposed on all cash transactions over a certain value. Consequently, there was a huge rush to open bank accounts towards the end of 2001, with more than 100,000 customers using banking services for the first time. Although 12 per cent of these subsequently withdrew their cash and closed their accounts, the rest have kept their money in the banks. This greatly increased the amount of capital available for loans and investment in Kosovo.

19. Seven commercial banks are now licensed to operate in Kosovo. Commercial banks are offering loans to entrepreneurs at real interest rates as low as 2 per cent (nominal interest rates range between 15 per cent to 22 per cent for loans from commercial banks, and up to 32 per cent for borrowing from micro-finance institutions). However, the total value of commercial loans extended is still far smaller than total savings — in most other economies it would be more. This indicates that people in Kosovo have yet to make full use of the commercial banking sector for their businesses.

20. The recurrent 2002 expenditures of €374 million is now over 95 per cent funded from local taxes and revenues. Revenue collection received a substantial boost at the beginning of April 2002 by the introduction of a Wages Tax and a Profits Tax. The Profits Tax will also assist private economic development by allowing enterprises that operate acceptable accounting systems to move from the presumptive tax on turnover to a tax on profits after operating costs. The budget planning assumes only €25 million of general budgetary support from donors. The public investment programme of some €656 million remains almost totally donor financed at this stage.

B. Tackling crime and violence

Security situation

21. The overall security situation in Kosovo improved during the reporting period. KFOR and UNMIK police attribute this to the consistent implementation of anti-crime initiatives and to increased reporting of crime to the police. Statistical trends now available through 11 March 2002 are positive, in particular the declining murder rate (see crime statistics in annex IV). There has also been a decline in ethnic murders, arson, looting and other crimes characteristic of a post-conflict area, although this is also, unfortunately, attributable to the fact that many members of the minority communities have left Kosovo, or are living in enclaves.

22. Nevertheless, ethnically motivated attacks still continue. With increased freedom of movement came incidents of harassment, such as rock throwing at Kosovo Serb cars in the Gnjilane region in late January and early February. A heavy police/KFOR presence has been deployed to areas where harassment has taken place and specific restrictions, such as curfews and intensive searches of buildings and vehicles, have been imposed.

23. A disturbing new development has been a continued increase in violence against KFOR and UNMIK police, as well as other members of UNMIK, and officers of the Kosovo Police Service. One of the worst incidents of such violence came following the arrest at the end of January of three former members of the Kosovo Liberation Army (KLA) on charges of war crimes against fellow Kosovo Albanians during 1998 and 1999. Angry protests culminated in the injury of

several UNMIK police and Kosovo Police Service officers in Pristina on 8 February, as well as in damage to several UNMIK vehicles and an anti-UNMIK media campaign. UNMIK countered the accusations made in the local press, resulting in editorials in local papers that condemned violence and promoted the rule of law.

Mitrovica

24. After nine calm months, violence again flared in Mitrovica at the beginning of April. There was serious rioting in northern Mitrovica on 8 April following the arrest by UNMIK police of a Kosovo Serb member of the so-called bridge gang. Approximately 300 Kosovo Serb protesters, armed with stones and hand grenades, confronted UNMIK police, resulting in the injury of 22 UNMIK police and Polish Special Police Unit officers. One seriously wounded officer of the Special Police Unit underwent surgery. Four Kosovo Serbs were detained and movement restrictions were imposed. There had been a build-up of tension over the reporting period, with demonstrations and vandalism of UNMIK vehicles following the arrest of two Kosovo Serbs on 21 February 2002 on murder charges.

25. KFOR and UNMIK police have strengthened cooperation in their joint efforts aimed at ensuring a safe and secure environment, removing or reducing the influence of parallel security structures and combating crime. The so-called bridge gang still enjoys considerable support due to the general feeling of insecurity in the Kosovo Serb community. There are no Kosovo Police Service officers serving in the northern part of Mitrovica town or in Zvecan, but there are mixed patrols in southern Mitrovica. Kosovo Serb officers of the Kosovo Police Service serve successfully in Zubin Potok and Leposavic in the north. KFOR support is required to enforce the same policing standards in North Mitrovica. The challenge for UNMIK is to meet the need of the Kosovo Serbs for security and services within a unified city without allowing parallel structures to exist.

26. In February, UNMIK opened a community office in the northern part of Mitrovica to deliver administrative services, including civil registration, and to stimulate economic development within the framework set out in UNMIK's Regulation on Self-Government of Municipalities. The former municipal workers continue to hold small-scale demonstrations against the office and staff of the community office continue to receive threats. Economic regeneration efforts in Mitrovica include the opening of a Business Development Centre in southern Mitrovica on 11 April. It is envisaged that a similar centre will be opened in northern Mitrovica as soon as circumstances permit. In addition, the recent establishment of the Trepca Workers Foundation, a non-governmental organization that advocates the economic and social needs of Trepca employees, has brought together people from both northern and southern Mitrovica. Further inter-communal confidence-building measures include the continuing construction of a multi-ethnic market.

Weapons amnesty

27. KFOR and UNMIK police continued efforts to uncover weapons caches. On 30 January, UNMIK police seized a large quantity of weapons smuggled into Kosovo from Albania. A month-long weapons amnesty came into effect on 15 March, allowing the population to turn in any weapons they have in their possession without fear of prosecution. This is the second weapons amnesty declared by KFOR and the UNMIK police. The Government of Kosovo lent its full support to the effort to reduce the number of weapons in circulation in Kosovo and Government Ministers have been actively involved in encouraging the people of Kosovo to hand in their weapons. On 10 April, the Prime Minister and President joined the Special Representative and the Commander of KFOR, General Valentin, in the destruction of illegal weapons, ammunitions and explosives collected under the weapons amnesty. These include several hundred long barrelled weapons, including machine guns, hundreds of hand grenades and a large quantity of ammunition.

Fight against organized crime and terrorism

28. Two additional key components of UNMIK's capability to combat organized crime have been put in place: the creation of a Sensitive Information and Operations Unit in the UNMIK Department of Justice at the end of February; and the enactment, on 18 March, of UNMIK regulation 2002/6 on covert and technical measures of surveillance and investigation. The purpose of the Sensitive Information and Operations Unit is to provide prosecutorial input to KFOR and UNMIK police on organized crime, terrorism and cross-border insurgency matters, to support organized crime-related operations undertaken by KFOR and the police and to provide expertise and support on organized crime and terrorism issues to

UNMIK international judges and prosecutors. Another important function is to turn sensitive information and intelligence into evidence that can be used in a court of law. The covert measures regulation is designed to enhance the investigative and prosecutorial capacity of organized crime cases by enabling police and prosecutors to use various types of covert activity.

29. The legislative basis UNMIK has laid to combat crime, in conjunction with an enhanced investigative capability of UNMIK police, and increasingly the Kosovo Police Service, has resulted in several arrests and prosecutions for, inter alia, the illegal possession of weapons and illegal border/boundary crossings. In addition, the trial of the first person to be charged under regulation 2001/12 on the prohibition of terrorism and related offences (for the murder of the Head of the Yugoslav passport office in April 2001), began in Pristina on 13 February.

Airport security/border control

30. Security at Pristina International Airport has improved. An increase in UNMIK Border Police officers at the airport has resulted in much better control of passengers and the seizure of numerous false travel documents. In the first week of April alone, 41 forged or altered documents were seized. UNMIK police have also been successful in countering the smuggling of fuel from Montenegro through more intensive patrolling of the buffer zone between the Montenegro boundary and the UNMIK customs checkpoint. A memorandum of understanding on the transfer of responsibility for the security of the border/boundary crossing points from KFOR to the UNMIK police was signed on 29 January 2002. A number of these locations have already been handed over by KFOR to the police, with the remainder to be taken over within a year. Border patrolling is now also carried out by the Kosovo Police Service under UNMIK police supervision.

Development of the Kosovo Police Service

31. The eighteenth class of police school cadets graduated on 30 March 2002, bringing the number of Kosovo Police Service officers to 4,521. This last class comprised 296 cadets, 20 of whom were Kosovo Serbs and 12 were from other communities. The current breakdown of the Kosovo Police Service is: 83.06 per cent male; 16.94 per cent female; 84.41 per cent Kosovo Albanian; 8.32 per cent Kosovo Serb; 3.54 per cent Kosovo Bosniac; with 3.74 per cent from other minority communities. The transition process from UNMIK to policing by the Kosovo Police Service means that the officers of the Service are now performing independent patrols and independent investigations in certain areas, including serious traffic incidents and internal investigations into professional standards. The specialist training provided by the Kosovo Police Service School in criminal investigation, forensics, organized crime and narcotics has resulted in members of the officers being fully integrated into most specialized investigative units of UNMIK police. Officers of the Kosovo Police Service have been a part of the Forensics Unit for almost one year and have developed skills in ballistics, handwriting analysis and identifying counterfeit documents. Throughout Kosovo, select officers from the Kosovo Police Service work in regional investigative units dealing with narcotics offences, intelligence gathering, murder enquiries, trafficking and prostitution. On a regional level, officers of the Service have been formed into specialist tactical weapons teams to perform high-risk building entries, searches and arrests.

C. Creating a fair and safe society for all communities

Creating conditions to remain and return

32. A key objective is the creation of conditions conducive to the return of refugees and internally displaced persons and to improve the situation of the remaining communities in order to stem the outflow of Kosovo Serbs. Elements of UNMIK's coordinated returns strategy include improving overall conditions for sustainable returns to places of origin, closely cooperating with KFOR to increase security and taking gradual steps to reintegrate minorities into mainstream life in Kosovo. This strategy is closely coordinated with the Federal Republic of Yugoslavia/Serbian Coordination Centre for Kosovo.

33. As part of a two-year policy framework — the Returns and Reintegration Programme for 2002 and 2003 — the Office of Returns and Communities, together with the UNMIK pillars, regional administrations and municipalities, is currently planning the return of refugees and internally displaced persons to 25 different locations throughout Kosovo. In order to prepare the ground psychologically, as well as

physically, through the requisite infrastructure, 22 local and regional working groups meet regularly. A damage assessment of 39 possible return locations, covering a total of 66 villages, which was completed in March with help from the European Agency for Reconstruction, confirmed the scale of destruction of minority homes and supporting infrastructures. Funding is required for reconstruction efforts in those areas slated for return later this year.

34. An important part of the planning process for returns are confidence-building measures aimed at promoting reconciliation and a climate conducive to return. Several reconciliation projects are under way in mixed municipalities, such as Kamenica, where a multi-ethnic youth project has been launched. UNMIK's institution-building pillar has also brought together Kosovo Albanian civil society representatives and non-governmental organizations from Serbia proper to develop civic dialogue and build trust. A similar exercise was carried out by bringing Kosovo Albanian journalists to visit Belgrade media outlets with a view to promoting understanding and cooperation.

35. Another important part is demystifying the situation in Kosovo in the minds of many internally displaced persons and those who live in the enclaves and have little contact with the outside world. UNMIK has stepped up its outreach to the internally displaced persons themselves. The Department of Non-Resident Affairs in the Ministry of Culture, Youth and Sports of the provisional institutions of self-government publishes a monthly magazine in Serbian entitled *Most* (Bridge), which keeps internally displaced persons informed of UNMIK policy and the situation on the ground in Kosovo. This, together with joint UNMIK-Coordination Centre public information campaign, has led to an increase in "go-and-see" visits to possible return sites in Kosovo. As for the Kosovo Serbs isolated in the enclaves, new community information centres are playing a key role in keeping them informed of events. So far, UNMIK has set up three of these centres in Gracanica, Slivovo (both in the Pristina region) and Mitrovica. They distribute UNMIK factsheets and other sources of information. In February, the centres launched a newsletter on developments in neighbouring communities. This newsletter is also distributed to internally displaced persons.

Support to non-Albanian communities

36. Through the network of local community offices that the UNMIK civil administration pillar has set up throughout Kosovo, the provision of services to the Kosovo Serb and non-Albanian communities has greatly improved. Various projects, financed through the UNMIK Quick Impact Fund or European Government grants, have contributed to improved water and sewage services, reconstruction of roads or rehabilitation of offices and schools. The Kosovo Public Utilities Companies have also begun to establish outreach business offices and employ members of minority communities.

37. A number of initiatives are under way to help integrate non-Kosovo Albanians into Kosovo's economy. These include measures to: encourage banking and credit programmes to offer access to ethnic minorities; encourage public utility service providers to improve their service to minority communities; and inform donors of the needs of minority communities. UNMIK's efforts to increase minority participation in the penitentiary and judicial structures have resulted in significant increases in minority enrolment in the Kosovo Correctional Service. The current Kosovo Correctional Service class at the training academy in Vucitrn (Mitrovica region) consists of 30 Serb candidates out of a total class of 90. This represents the largest minority participation ever in a Kosovo Correctional Service class and, upon successful completion of their training, will double the total number of Kosovo Serbs in the Kosovo Correctional Service.

38. The Ministry of Education, Science and Technology has made progress in ensuring adequate access to educational facilities for the minority communities. The enactment, in February, of administrative direction 2002/2 on the establishment of the North Kosovo University for Slavic Languages has led to the creation of an advisory board of Kosovo Serb teachers as well as the general improvement in coordination and administration of education reforms in the northern part of Mitrovica.

IV. Municipal elections

39. Preparatory work for the municipal elections scheduled for 21 September 2002 has begun, including training programmes and the updating of the voters'

list. In all activities, Kosovo's Municipal Election Commissions have begun assuming a greater level of responsibility. On 29 March, the Central Election Commission began issuing the electoral rules. To determine the level of resources necessary to conduct elections, from 17 to 20 March, an assessment team from the Organization of Security and Cooperation in Europe (OSCE) visited the UNMIK institution building pillar to review the proposed operational plan for the 2002 municipal elections and to make budgetary recommendations. While the core budget for the institution building pillar for the calendar year 2002 was finally adopted on 11 April by the OSCE Permanent Council, it is a matter of concern that, to date, the budget for the 2002 municipal elections has not yet been approved.

V. Relations with the authorities of the Federal Republic of Yugoslavia

40. My Special Representative, Michael Steiner, visited Belgrade on 3 April 2002 to discuss issues of mutual concern with President Vojislav Kostunica, Prime Minister Zoran Djindjic and Deputy Prime Minister Nebojsa Covic, and to seek their constructive support for the participation of KP in the Government. Mr. Steiner emphasized that recognition of UNMIK authority and the non-acceptance of parallel structures were key to a constructive relationship. It was agreed that cooperation between UNMIK and the Coordinating Centre should continue to be based on the Common Document. The primary mechanism is the high-ranking working group, which now has two working bodies on judicial cooperation and police cooperation. The high-ranking working group has met three times to date. During the last meeting, on 9 April in Pristina, a member of the provisional institutions of self-government participated for the first time.

Judicial cooperation

41. Lengthy negotiations between UNMIK and Head of the Coordination Centre, Nebojsa Covic, culminated on 26 March in the transfer to Kosovo of 146 Kosovo Albanian detainees from Serbia proper. The transfer was preceded by the handing over by the Serbian authorities of the court files relating to the majority of the remaining detainees, which were reviewed by UNMIK's Department of Justice. As a result of those reviews, 80 detainees were released by order of my Special Representative on 27 March. A smaller number of detainees were found to have valid convictions for crimes not related to the recent conflict and they will serve out their sentences in Kosovo. UNMIK is reviewing the case files of the remaining detainees to determine whether they should be retried or released. On 29 March, a further 11 prisoners, who had been diagnosed with mental illnesses, were transferred from Serbia proper to UNMIK custody at the Dubrava prison hospital. The case files of these detainees are also being reviewed by an international judge.

42. During his visit to Belgrade on 3 April, my Special Representative signed the Agreement on the Transfer of Sentenced Persons, which allows prisoners in Kosovo and Serbia proper to choose the place of detention in accordance with provisions of the relevant European Convention. UNMIK has identified 16 Kosovo Serb prisoners that meet the qualifying conditions for transfer under the Agreement. On 10 April, a delegation of three Serb lawyers from the Coordination Centre visited these detainees in the Pristina and Mitrovica Detention Centres. None of the detainees expressed an interest in being transferred to jails in Serbia proper at this time.

Determining the fate of the missing

43. In February, the Working Group on Police Cooperation adopted three protocols related to the issue of missing persons: (a) Cross-Boundary Transfer of Identified Remains; (b) Exchange of Forensic Experts and Expertise; and (c) Joint Verification Teams on Alleged Hidden Prisons. The first joint visit to an alleged illegal detention centre in Kosovo took place on 13 March. The visit confirmed that the site was, in fact, a mental institute administered now by the Ministry of Health. Newly identified remains of four Kosovo Serbs were also transferred across the boundary to Serbia proper at the request of relatives.

44. As part of the agreement signed in July 2001 between UNMIK and the International Committee on Missing Persons (ICMP), the first batch of DNA samples from relatives of the missing were sent for analysis to the ICMP centre in Bosnia and Herzegovina in February. UNMIK has so far collected 3,800 blood samples from relatives of the missing. On 9 April UNMIK re-opened the previous forensic investigation facility at Orahovac (Prizren region) formerly operated by the International Tribunal for the former Yugoslavia. This new centre will provide a single location for the

processing of remains recovered from the over 100 unsurveyed potential gravesites in Kosovo and the review of approximately 1,250 unidentified remains from the International Tribunal programme of 1999/2000.

45. On 3 April, during a meeting with the Association of the Families of the Missing in Belgrade, my Special Representative agreed on three steps to assist the families of the missing: an opportunity for families of the missing to visit Pristina and have contact with those in UNMIK dealing with the issue; "surprise investigations" of alleged hidden prisons in Kosovo with the participation of representatives of the Association; and a trial visit to Orahovac of one of the members of the Association in an attempt to clarify the fate of a missing relative. On 11 April an exhibition of personal possessions retrieved from unidentified remains in Kosovo began in Rudare in Serbia proper, near the administrative boundary line with Kosovo. More than 500 family members of missing Serbs pre-registered to visit the exhibition, which was organized by the UNMIK police Missing Persons Unit, in cooperation with the International Committee of the Red Cross (ICRC).

VI. Relations with the former Yugoslav Republic of Macedonia

46. My Special Representative met with President Trajkovski in Skopje on 18 March and agreed on the establishment of a Joint Expert Committee to address the practical situation on the ground resulting from the border demarcation agreement between the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia. Agreement was also reached on the need to initiate police cooperation with the objective of establishing a memorandum of understanding to deal with overall crime prevention and the fight against organized crime. A meeting on 28 March resulted in agreement on an exchange of information to combat organized crime and terrorism.

VII. Support matters

47. UNMIK continued to maintain and improve the quality of support to all its components. This involved the provision of services in the areas of communications and information technology, engineering, supply and transport to the complex operations of both its police and justice pillar and its civil administration pillar. The Mission continued to maintain a large telecommunications and information technology network connecting all municipalities and regional offices, covering a total of over 170 locations. During the first quarter of 2002, the focus remained on the consolidation of the network infrastructure in order to provide enhanced communications and information technology services for the Mission. UNMIK completed all projects relating to the post-election relocation of political and administrative functions and continued to turn over support functions to the provisional institutions of self-government. After the turnover of some facilities to the local authorities, the Mission continued to use and maintain over 150 separate premises in Kosovo, most of which are State-owned and occupied rent-free.

VIII. Observations

48. The formation of the Government was an important step forward in the implementation of one of the core tasks of Security Council resolution 1244 (1999). I encourage KP to participate in the Government and work for the improvement of the Kosovo Serb community from within. The provisional institutions of self-government need to work in the best interests of all communities, and the best way to ensure that is for KP to take part.

49. Tangible benefits can best be achieved through the participation and cooperation of all communities. It is vital, therefore, that efforts continue to foster return and create conditions conducive to a sustainable existence for all communities in Kosovo, including equitable access to public services and jobs. The active participation of all communities is essential to a successful returns process and inter-communal confidence-building measures go hand in hand with that process. The newly elected officials have made encouraging statements on tolerance and reconciliation and it is important that these sentiments are translated into concrete action. The provisional institutions of self-government must lead by example in creating conditions conducive to inclusion and reconciliation.

50. I welcome the transfer of the Kosovo Albanian detainees from Serbia proper to Kosovo and appreciate the efforts on all sides that went into bringing this about. This has been a charged emotional issue that has

been an obstacle to reconciliation since UNMIK was established. I hope that its resolution, in a way that upholds the rule of law, will boost inter-communal cooperation. We must now turn our attention to accelerating the process of determining the fate of missing persons of all communities.

51. The release of the detainees demonstrates that regional dialogue yields tangible benefits. There has been progress in the implementation of the Common Document and I welcome the participation of a member of the provisional institutions of self-government at the last meeting of the high-ranking working group. As the Government of Kosovo begins its work, I believe it will find that many issues can be resolved through dialogue with the authorities of the Federal Republic of Yugoslavia.

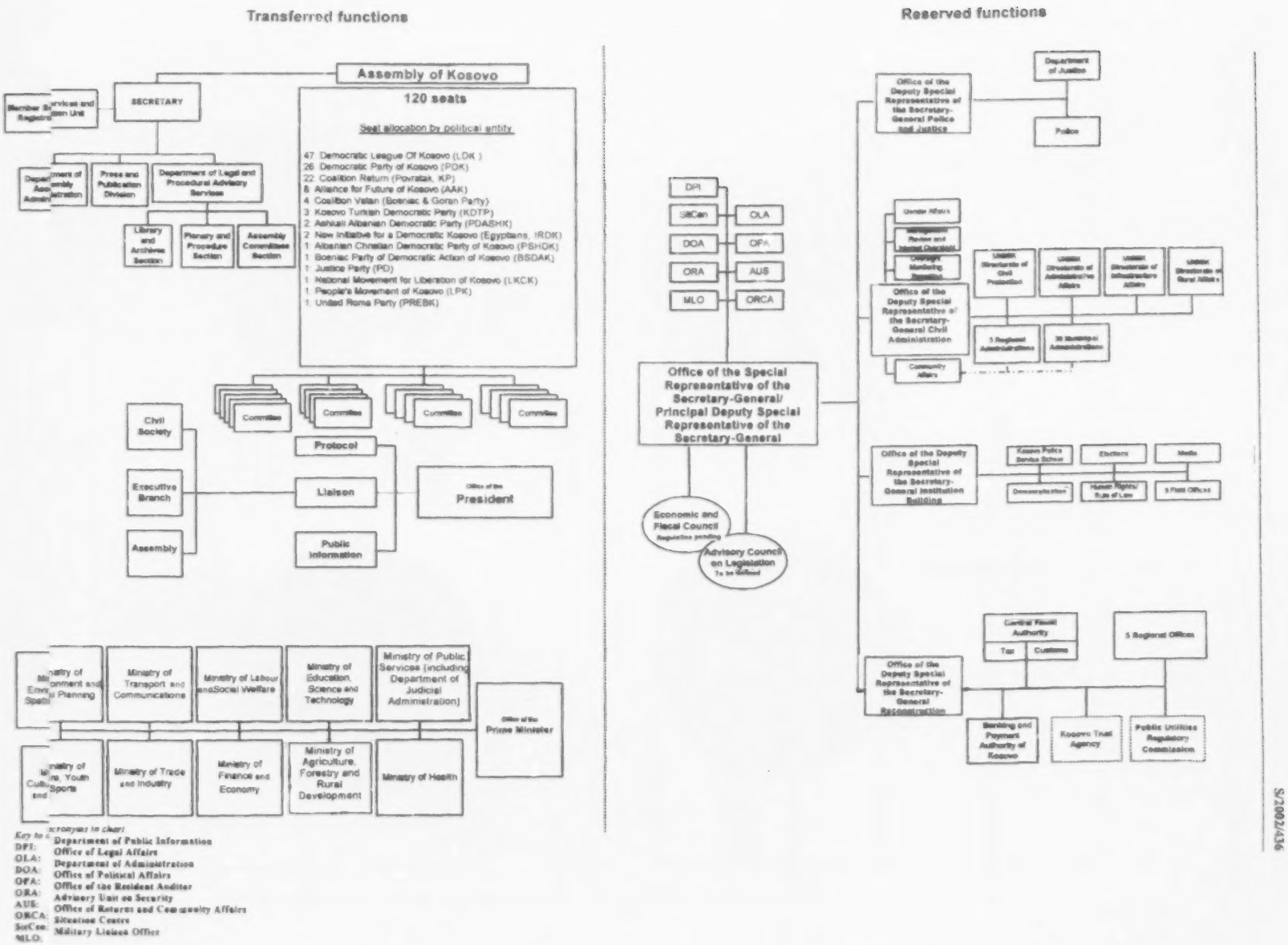
52. More has been done to strengthen the rule of law. It is clear, however, that the Mission is entering a potentially more dangerous phase. As the progressive implementation of anti-crime initiatives, including legislation to combat organized crime and terrorism, takes effect, the more potential there is for retaliation against UNMIK and KFOR. I trust that the provisional institutions of self-government will use its influence to curb violence. UNMIK will continue to arrest and bring criminals to justice. For this, UNMIK will require more international judges and prosecutors.

53. Kosovo is one of the poorest areas of Europe, and a great deal needs to be done to create a climate conducive to its economic growth. The high unemployment rate, in particular among the young people who form the majority of Kosovo's population, constitutes a potential threat to the stability of Kosovo. A key priority is, therefore, reviving the economy and creating jobs.

54. The international community has invested a great deal of energy and resources to create a functioning political system, a viable and legitimate economy and a peaceful society that upholds the rule of law. It is understood that the Mission will not stay in Kosovo indefinitely, but in order to consolidate the provisional institutions of self-government and avoid undercutting the achievements made so far, continued political, technical and financial support will be necessary. Although the current level of support cannot continue indefinitely, premature disengagement could lead to a vacuum of power and instability that could be filled by organized crime and extremism. It is clear that a political roadmap is needed, both for UNMIK and for the provisional institutions of self-government. To this end, I have asked my Special Representative to develop benchmarks against which progress can be measured in the critical areas of the rule of law, functioning democratic institutions, the economy, freedom of movement, the return of internally displaced persons and refugees and contributions to regional stability.

Annex I

Organizational chart of the United Nations Interim Administration Mission in Kosovo and the provisional institutions of self-government



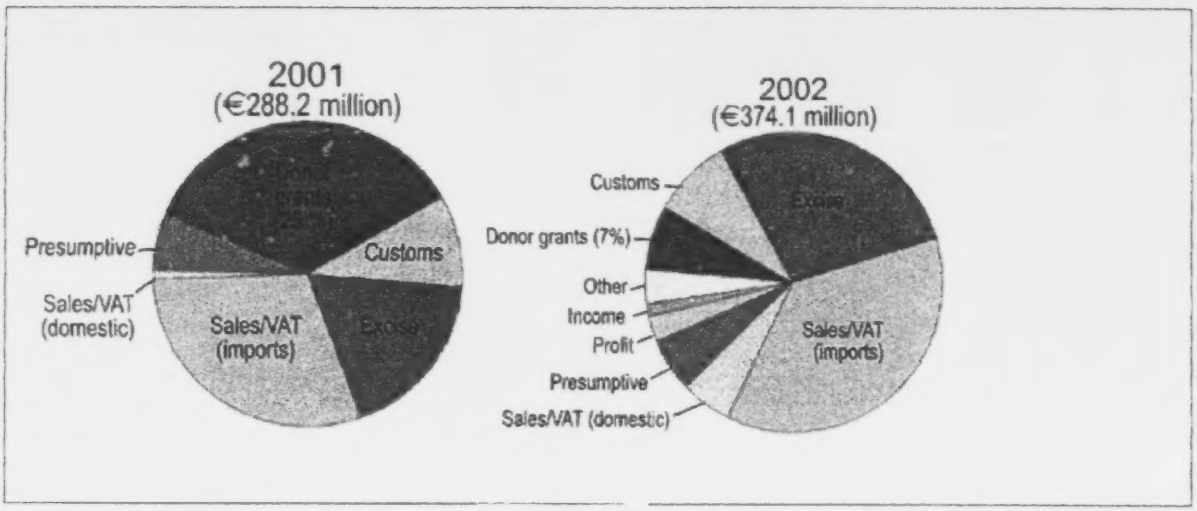
Key to acronyms in chart

DPI: Department of Public Information
OLA: Office of Legal Affairs
DOA: Department of Administration
OPA: Office of Political Affairs
ORA: Office of the Resident Auditor
AUS: Advisory Unit on Security
ORCA: Office of Returns and Community Affairs
SitCen: Situation Centre
MLO: Military Liaison Office

Annex II

Budget 2002

Revenue



Expenditure

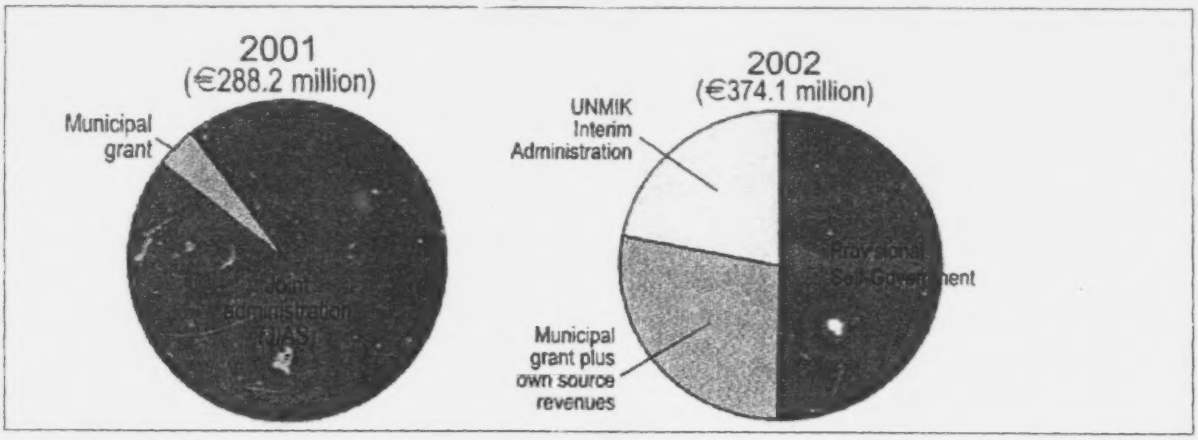
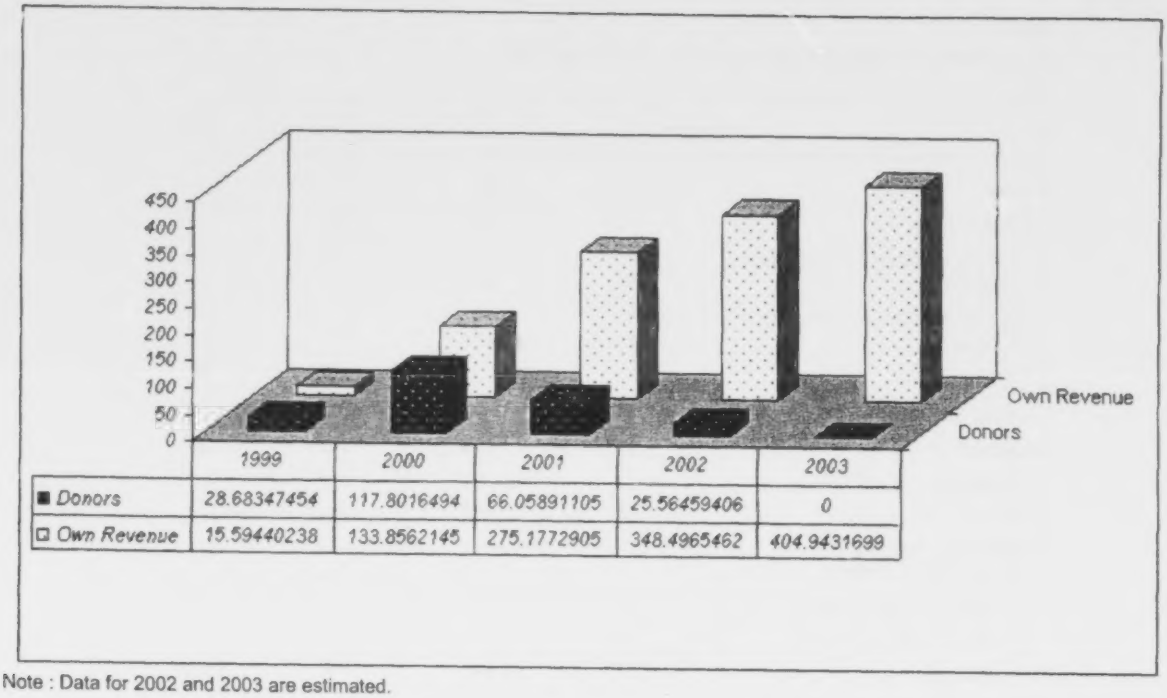


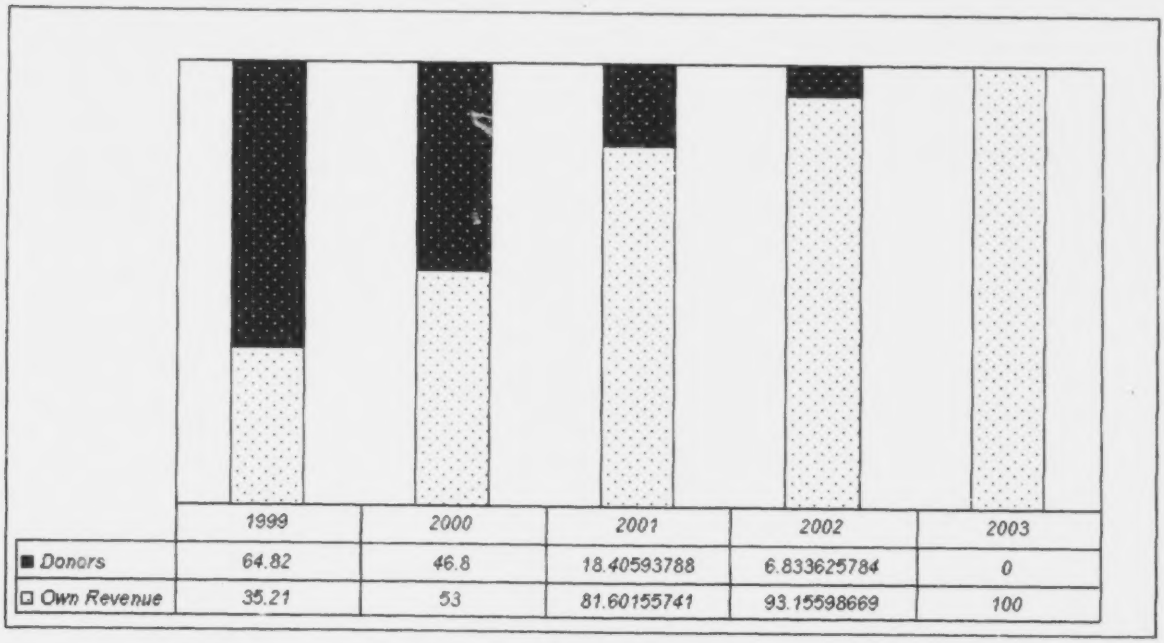
Chart 1
Kosiov budget: total revenue
Outturn and Estimated
(In millions of euro)



	1999	2000	2001	2002	2003
■ Donors	28.68347454	117.8016494	66.05891105	25.56459406	0
□ Own Revenue	15.59440238	133.8562145	275.1772905	348.4965462	404.9431699

Note : Data for 2002 and 2003 are estimated.

Chart 2
Kosovo budget: total revenue
Outturn and Estimated
(In percentages)



	1999	2000	2001	2002	2003
■ Donors	64.82	46.8	18.40593788	6.833625784	0
□ Own Revenue	35.21	53	81.60155741	93.15598669	100

Note: Data for 2002 and 2003 are estimated.

Annex III

Table 1
Household income and consumption, 2000 and 2001

	2000 (millions of euro)	*2001 (millions of euro)*	*2000 (euro per capita)*	*2001 (euro per capita)*
Income	**1 906**	**2 067**	**1 077**	**1 111**
Earned income	**918**	**1 067**	**519**	**574**
Labour earnings (except donor employment)	769	923		
Earnings of donor employed Kosovars	136	124		
Other income	12	20		
Imputed income (1)	**377**	**341**	**213**	**183**
Transfers	**611**	**659**	**345**	**355**
Private remittances from abroad	393	398		
Transfers from Kosovo Consolidated Budget	31	36		
House repair assistance	152	110		
Food and other aid	36	15		
Expenditures	**1 763**	**1 908**	**996**	**1 026**
Total consumption	**1 535**	**1 743**	**867**	**937**
Total investment (housing)	**228**	**165**	**129**	**89**
Savings	**144**	**159**	**81**	**85**

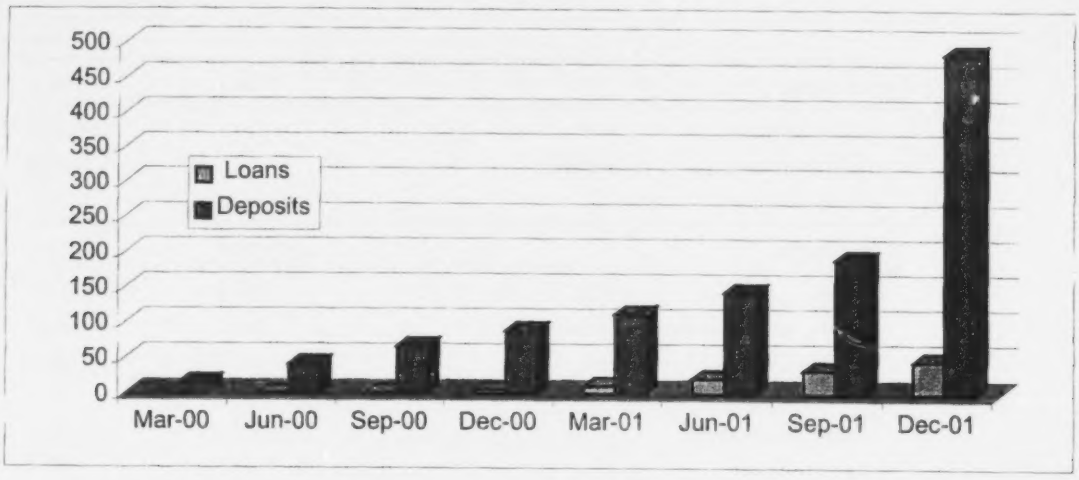
Note: (1) includes subsistence economy (food production and other) and owner occupied dwellings.
Source: CFA-MEU estimates.

Table 2
Foreign trade estimates, 2000 and 2001
(Millions of euro)

	2000	*2001*
Total exports	**106.6**	**180.5**
Export of goods	15.3	33.2
Donor purchased goods and services	51.7	82.3
Goods purchased by expatriates	39.6	65.0
Total imports	**-1 963.0**	**-2 097.1**
Goods	**-957.7**	**-1 110.6**
Non-exempt commercial imports	-740.0	-880.4
Exempt commercial imports	-45.4	-24.5
Donor imported goods	-172.4	-205.7
Commercial services	**-39.3**	**-45.2**
Electric power	**-24.5**	**-39.7**
Donor financed activities (projects)	**-878.0**	**-1 004.3**
Errors and omissions	**-60.2**	**88.6**

Note: KFOR activities not included.
Source: Customs data and surveys (Riinvest and SOK/CFA).

Chart 1
Banks and micro-financing institution loans and deposits, 2000 and 2001 (Millions of euro)



Note: The high level of deposits in December 2001was partially due to deutsche mark/euro conversions.
Source: Micro-Enterprise Bank (MEB) Banking and Payments Authority of Kosovo (BPK).

Annex IV

Crime statistics

Major crime against persons

	January	*February*	*March*	*Total*
Murder	17	13	7	37
Kidnapping	17	15	10	42
Assault	364	371	382	1 117
Grievous assault	26	27	39	92
Rape/attempted rape	9	15	12	36

Major crime against property

	January	*February*	*March*	*Total*
Arson	28	57	59	144
Burglary	496	466	514	1 476
Robbery	46	49	46	141
Theft	604	669	690	1 963
Theft of vehicle	122	139	129	390

Other selected major offences

	January	*February*	*March*	*Total*
Criminal damage	155	126	181	462
Fraud offence	96	54	37	187
Drug offence	27	14	9	50
Weapon offence	153	148	100	401

Annex V

Composition and strength of the police force of the United Nations Interim Administration Mission in Kosovo (as of 31 March 2002)

Nation	*Number*	*Nation*	*Number*
Argentina	138	Malaysia	47
Austria	46	Malawi	19
Belgium	2	Nepal	49
Bangladesh	94	Nigeria	90
Bulgaria	96	Norway	27
Canada	40	Pakistan	186
Cameroon	20	Philippines	63
Czech Republic	19	Poland	123
Denmark	27	Portugal	20
Egypt	65	Romania	185
Fiji	35	Russian Federation	128
Finland	24	Senegal	15
France	87	Slovenia	15
Germany	362	Spain	148
Ghana	110	Switzerland	5
Greece	20	Sweden	48
Hungary	5	Tunisia	6
Iceland	3	Turkey	119
India	527	United Kingdom of Great Britain and Northern Ireland	164
Italy	67		
Côte d'Ivoire	1	Ukraine	195
Jordan	451	United States of America	572
Kenya	44	Zambia	38
Kyrgyzstan	2	Zimbabwe	34
Lithuania	9		
Total			**4 582**

Annex VI

Composition and strength of the military liaison component of the United Nations Interim Administration Mission in Kosovo

(as of 31 March 2002)

Nationality	*Number of Liaison Officers*
Argentina	1
Austria	2
Bangladesh	1
Belgium	1
Bolivia	1
Bulgaria	1
Canada	1
Chile	1
Czech Republic	1
Denmark	1
Finland	2
Hungary	1
Ireland	3[a]
Italy	1
Jordan	1
Kenya	1
Malawi	1
Malaysia	1
Nepal	1
New Zealand	1
Norway	1
Pakistan	1
Poland	1
Romania	1
Russian Federation	2
Spain	2[b]
Switzerland	1
Ukraine	1
United Kingdom of Great Britain and Northern Ireland	1[c]
United States of America	2
Zambia	1
Total	**38**

[a] Including two non-commissioned officers.
[b] Including the Chief Military Liaison Officer.
[c] In the Advisory Unit on Justice in the Office of the Special Representative of the Secretary-General.

Map No. 4133 Rev. 6 UNITED NATIONS
April 2002

Department of Public Information
Cartographic Section

United Nations S/2002/437

Security Council

Distr.: General
18 April 2002

Original: English

Draft resolution

The Security Council,

Reaffirming its resolution 864 (1993) of 15 September 1993 and all subsequent relevant resolutions, in particular resolutions 1127 (1997) of 28 August 1997, 1173 (1998) of 12 June 1998, 1237 (1999) of 7 May 1999, 1295 (2000) of 18 April 2000, 1336 (2001) of 23 January 2001, 1348 (2001) of 19 April 2001 and 1374 (2001) of 19 October 2001,

Recalling the Statement of its President of 28 March 2002 (S/2002/7), in particular its readiness to consider appropriate and specific exemptions from and amendments to the measures imposed by paragraph 4 (a) of its resolution 1127 (1997) in consultation with the Government of Angola and with a view to facilitating the peace negotiations,

Reaffirming also its commitment to preserve the sovereignty and territorial integrity of Angola,

Expressing once again its concern regarding the humanitarian effects of the present situation on the civilian population of Angola,

Welcoming the ceasefire agreement of 4 April 2002,

Recognizing the importance attached, inter alia, to the monitoring, for as long as it is necessary, of the implementation of the provisions contained in resolutions 864 (1993), 1127 (1997) and 1173 (1998),

Determining that the situation in Angola continues to constitute a threat to international peace and security in the region,

Acting under Chapter VII of the Charter of the United Nations,

1. *Looks forward* to receiving the additional report of the monitoring mechanism established pursuant to resolution 1295 (2000) to be submitted pursuant to paragraph 8 of resolution 1374 (2001);

2. *Expresses* its intention to give full consideration to this additional report;

3. *Decides* to extend the mandate of the monitoring mechanism for a further period of six months, ending on 19 October 2002;

4. *Requests* the monitoring mechanism to provide the Committee established pursuant to resolution 864 (1993) hereinafter referred to as "the Committee" within 30 days of the adoption of this resolution with a detailed action

02-34033 (E) 180402

plan for its future work, in particular, but not exclusively, on the financial measures and on the measures concerning the trade in diamonds and the trade in arms against the União Nacional para a Independência Total de Angola (UNITA);

5. *Requests* the monitoring mechanism to report periodically to the Committee and to provide a further additional report to the Committee by 15 October 2002;

6. *Requests* the Secretary-General, upon adoption of this resolution and acting in consultation with the Committee, to appoint four experts to serve on the monitoring mechanism and *further requests* the Secretary-General to make the necessary financial arrangements to support the work of the monitoring mechanism;

7. *Requests* the Chairman of the Committee to submit the additional report to the Council by 19 October 2002;

8. *Calls upon* all States to cooperate fully with the monitoring mechanism in the discharge of its mandate;

9. *Decides* to remain actively seized of the matter.

United Nations S/2002/438

Security Council

Distr.: General
18 April 2002
English
Original: Arabic

Letter dated 15 April 2002 from the Permanent Representative of the Sudan to the United Nations addressed to the President of the Security Council

With reference to the summary statement by the Secretary-General on matters of which the Security Council is seized and on the stage reached in their consideration (contained in document S/2002/30), we should like to draw your attention to the fact that we take note, yet again, of the failure of the aforementioned document to include among the matters of which the Security Council is seized the letter dated 21 August 1998 from the Permanent Representative of the Sudan to the United Nations addressed to the President of the Security Council concerning the attack on the Al-Shifa' pharmaceuticals plant in Khartoum (S/1998/786). The request won the support of the following groups:

The Arab Group (see document S/1998/791 dated 21 August 1998);

The Group of Islamic States (see document S/1998/790 dated 21 August 1998);

The African Group (see document S/1998/802 dated 25 August 1998);

The Movement of Non-Aligned Countries (see document S/1998/804 dated 25 August 1998).

The Sudan requests that the subject of the destruction of the Al-Shifa' pharmaceuticals plant be retained on the list of items of which the Security Council is seized until further notice.

I should be grateful if you would have this letter circulated as a document of the Security Council.

(*Signed*) Elfatih **Erwa**
Ambassador
Permanent Representative

02-33941 (E) 180402 190402

United Nations S/2002/439

Security Council

Distr.: General
18 April 2002

Original: English

Letter dated 18 April 2002 from the Permanent Observer of Palestine to the United Nations addressed to the President of the Security Council

I have the honour to request that, in accordance with its previous practice, the Security Council invite the Permanent Observer of Palestine to the United Nations to participate in the meeting of the Security Council to be held today, Thursday, 18 April 2002, regarding the situation in the Occupied Palestinian Territory, including Jerusalem.

(*Signed*) Nasser **Al-Kidwa**
Ambassador
Permanent Observer of Palestine to the United Nations

02-34114 (E) 180402

United Nations A/56/924–S/2002/440

General Assembly
Security Council

Distr.: General
19 April 2002

Original: English

General Assembly
Fifty-sixth session
Agenda item 62
Question of Cyprus

Security Council
Fifty-seventh year

Letter dated 17 April 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Cyprus to the United Nations addressed to the Secretary-General

Upon instructions from my Government, I have the honour to draw your attention to new massive violations of the flight information region (FIR) of Nicosia and the national airspace of the Republic of Cyprus by military aircraft of the Turkish air force, recorded from 3 to 5 April 2002.

On 3 April 2002, eight (8) F-16 and two (2) RF-4 Turkish military aircraft entered the Nicosia FIR, violating international air traffic regulations and the national airspace of the Republic of Cyprus, as follows:

(a) Four (4) F-16 military aircraft, flying in two formations, one coming from a western direction and the other from the FIR of Ankara, entered the Nicosia FIR and, flying within its limits, violated international air traffic regulations before exiting in a western direction towards the FIR of Ankara;

(b) Four (4) F-16 military aircraft, flying in two formations, entered the Nicosia FIR, violating international air traffic regulations and, flying over the area of Paphos, violated the national airspace of the Republic of Cyprus before exiting towards the FIR of Ankara;

(c) Two (2) RF-4 military aircraft, flying in one formation, entered the Nicosia FIR from a north-western direction and, flying between the areas of Mesaoria and Cape Kormakitis, violated the national airspace of the Republic of Cyprus, before exiting towards the FIR of Ankara.

On 4 April 2002, two (2) F-16 military aircraft, coming from the FIR of Ankara and flying in one formation, entered the Nicosia FIR, violating air traffic regulations, before exiting in a western direction.

On 5 April 2002, two (2) F-16 military aircraft, flying in one formation, violated the national airspace of the Republic of Cyprus, flying over the area of Paphos, before exiting in a western direction.

02-34207 (E) 220402

On behalf of the Government of the Republic of Cyprus, I strongly protest the above actions, which violate international law as well as the Security Council resolutions on Cyprus. I would like to draw your attention to the fact that the above-mentioned flights of the Turkish military air force took place over and close to military installations of the National Guard of the Republic of Cyprus and to underscore that, owing to the high sensitivity of these military installations, such illegal actions pose a great danger to the security of the island, and I call for their immediate cessation.

I would also like to note that these violations are occurring at the time of the ongoing direct talks in Cyprus, at the invitation of the Secretary-General, in the exercise of his mission of good offices entrusted to him by the Security Council in its resolution 1250 (1999). Let us not forget that the Security Council, in its recent statement of 4 April 2002, following an interim report by Alvaro de Soto, Special Adviser to the Secretary-General on Cyprus, expressed concern for the slow progress of the negotiations and urged that all issues should be resolved as part of a comprehensive settlement, which takes full consideration of relevant United Nations resolutions and treaties. It is hoped that the Government of Turkey will show restraint and will cease the violation of the airspace of the Republic of Cyprus and contribute to the efforts to find a just and viable solution to the Cyprus problem on the basis of United Nations resolutions.

I shall be grateful if you would have the present letter circulated as a document of the General Assembly, under agenda item 62, and of the Security Council.

(*Signed*) George **Kasoulides**
Chargé d'affaires a.i.

United Nations A/56/925–S/2002/441

General Assembly
Security Council

Distr.: General
18 April 2002

Original: English

General Assembly
Fifty-sixth session
Agenda item 62
Question of Cyprus

Security Council
Fifty-seventh year

Letter dated 17 April 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Cyprus to the United Nations addressed to the Secretary-General

Upon instructions of my Government, I would like to draw your attention to a letter addressed to you on 13 March 2002 by the Permanent Representative of Turkey, transmitting a letter from the purported "Representative of the Turkish Republic of Northern Cyprus" to which was annexed a letter of 6 March 2002 from the purported "President of the Turkish Republic of Northern Cyprus", Mr. Denktash. Those letters were circulated as a document of the General Assembly and the Security Council (see A/56/874-S/2002/73).

Mr. Denktash's letter of 6 March 2002 makes various incorrect assertions about "unilateral changes of the provisions for search and rescue (SAR) services within the Nicosia flight information region (FIR)". He claims that these alleged changes ignore International Civil Aviation Organization (ICAO) rules and provisions; that they are contrary to the provisions of the 1960 treaties on Cyprus; that there is no Republic of Cyprus or Government of Cyprus competent to represent the whole island or to extend services, but merely "an administration solely composed of Greeks" and a State, the "Turkish Republic of Northern Cyprus"; and that, moreover, "unilateral handing over" or SAR services contradicts "the political equality of the two sides" and prevailing practical realities and is a negative contribution to what he describes as "ongoing efforts" in a "new process" to establish a "new partnership on the basis of equality".

So far as concerns Mr. Denktash's reiteration of his well-known views as to the "Turkish Republic of Northern Cyprus" (hereinafter "TRNC") and the Republic of Cyprus, it suffices to refer to Security Council resolutions 541 (1983) and 550 (1984), which declared the "TRNC" illegal and invalid and called upon all States to respect the sovereignty, territorial integrity and unity of the Republic of Cyprus. No State apart from the occupying Power, the Republic of Turkey, recognizes the purported "TRNC". Both resolutions call for such non-recognition and have since been reiterated.

02-34231 (E) 230402

It should be added in respect of Mr. Denktash's assertions about the "TRNC" having authority and providing SAR and other aeronautical services, that ICAO resolutions of 1974, 1975 and 1977 also reaffirm the sovereign responsibility of the Republic of Cyprus. Regrettably, Turkey's subordinate local administration, the "TRNC", through instructions from its services, from time to time endangers air traffic by attempting to interfere in the supervision of air traffic in the Nicosia FIR, whereas this is the exclusive responsibility of the Republic of Cyprus.

So far as concerns there allegedly being a "new process", the current direct talks are being conducted in terms of the Secretary-General's mission of good offices, as stipulated in Security Council resolution 367 (1975) of 12 March 1975 and as further defined by subsequent resolutions, notably resolution 1250 (1999).

The contentions about unilateral changes to the provisions for search and rescue services and breach of the 1960 treaties are equally incorrect. There has been no change to the international responsibilities. Since Cyprus's independence in 1960 and her accession to the Convention on International Civil Aviation, the Republic of Cyprus has been the State authority responsible for search and rescue measures under article 25 of the Convention. Section 9 of annex B to the 1960 Treaty of Establishment merely provided that, subject to their own services for the Sovereign Base Areas having the capacity, the authorities of the United Kingdom of Great Britain and Northern Ireland would make available "search and rescue facilities" for all civil aircraft within the Nicosia FIR. Such services remain available. Further services have been made available by the Government of the Republic of Cyprus as from 1 March 2002. As from that date, the Government's Larnaca Rescue Coordination Centre became the Centre having principal responsibility for SAR operations. The Government of Cyprus, as required under both ICAO and International Maritime Organization procedures, then provided updated information to those bodies (in accordance with their procedures), as to, inter alia, the national authorities responsible, the location of the Rescue Coordination Centres and the search and rescue units.

Cyprus's view as to the scope of the United Kingdom's treaty obligations is shared by the United Kingdom Government. That the treaty commitment relates merely to provision of assistance in search and rescue operations in the Nicosia FIR was stated on 27 March 2002 in the House of Lords by the responsible Secretary of State (see annex).

The United Kingdom added that SAR, being a humanitarian matter, should not affect the ongoing settlement negotiations. Mr. Denktash's letter asserted that the recent humanitarian arrangements "will not contribute positively to the ongoing efforts" for a settlement. If Mr. Denktash genuinely wishes to contribute to a positive outcome of negotiations on the Cyprus problem, he should refrain from making invalid and unjustified complaints and cease the current barrage of correspondence and pamphlets and the extensive propaganda campaign which he and the Republic of Turkey are mounting in all international forums to secure recognition of the "TRNC" and of two States in Cyprus, an outcome in gross breach of article II of the 1960 Treaty of Guarantee.

I should be grateful if my letter in response is likewise circulated as a document of the General Assembly, under agenda item 62, and of the Security Council.

(*Signed*) George **Kasoulides**
Chargé d'affaires a.i.

Annex to the letter dated 17 April 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Cyprus to the United Nations addressed to the Secretary-General

Lords Hansard text for 27 March 2002

Nicosia Flight Information Region: Search and Rescue Responsibility

Lord Kilclooney asked Her Majesty's Government:

> How long the United Kingdom had responsibility for search and rescue services within the Nicosia Flight Information Region: whether responsibility was confirmed in the 1960 Treaties: when it was decided to transfer this responsibility to the Greek Cypriot Government: what has been the reaction of the Turkish Cypriot administration; and whether this decision will facilitate the present talks between Greek and Turkish Cypriot leaders. [HL3230]

Lord Bach: The United Kingdom has provided search and rescue services in the Nicosia FIR since 1960. Our only treaty obligation in this regard is set out in Annex B, Part V. Section 9 of the 1960 Treaty of Establishment, which says that:

> "In so far as the services established for their own use make this possible, the United Kingdom authorities shall make available search and rescue facilities for all civil aircraft within the flight information region administrated from Nicosia."

In recent years the Republic of Cyprus has established its own Rescue Co-ordination Centre (RCC) at Larnaca and introduced capable search and rescue helicopters. They are now much less reliant on UK assistance and we understand that within the last year they have notified relevant aviation and maritime organisations that RCC Larnaca is the lead search and rescue centre for the Nicosia FIR. The UK continues to meet its treaty commitment by making available the Wessex helicopters of 84 Squadron RAF and the RCC Episkopi to assist as required in search and rescue operations in the Nicosia FIR.

SAR is a humanitarian matter. As such it should have no read-across to the ongoing settlement negotiations.

United Nations S/2002/442

Security Council

Distr.: General
18 April 2002

Original: English

Letter dated 17 April 2002 from the Secretary-General addressed to the President of the Security Council

I have the honour to convey the attached communication, dated 11 April 2002 from the Director General of the International Atomic Energy Agency addressed to you.

(*Signed*) Kofi A. **Annan**

02-34213 (E) 220402

Annex

[Original: Arabic, Chinese, English, French, Russian and Spanish]

Letter dated 11 April 2002 from the Director General of the International Atomic Energy Agency addressed to the President of the Security Council

I refer to Security Council resolution 1373 (2001) of 28 September 2001, in which the Council noted with concern the close connection between international terrorism and illegal movement of nuclear materials and, in that regard, emphasized the need to enhance coordination of efforts at the national, subregional and international levels in order to strengthen a global response to this serious challenge and threat to international security. The Council also called upon all States, inter alia, to find ways of intensifying and accelerating the exchange of operational information, especially regarding the threat posed by the possession of weapons of mass destruction by terrorist groups, and to become parties as soon as possible to the relevant international conventions and protocols relating to terrorism.

As mentioned in my letter of 7 December 2001 (see S/2001/1164), the General Conference of the International Atomic Energy Agency, in its resolution GC(45)/RES/14 B of 21 September 2001, requested me to review thoroughly the activities and programmes of the Agency with a view to strengthening the Agency's work relevant to preventing acts of terrorism involving nuclear material and other radioactive materials. An initial report pursuant to that request was considered by the Agency's Board of Governors at its session in November 2001. Excerpts from that report were contained in the attachment to my letter.

At the request of the Board, I continued consultations with member States to review our proposed response to the threat of nuclear terrorism and submitted the outcome for the Board's consideration at its March 2002 session. The Board approved in principle the Agency's plan of action which covers eight areas: physical protection of nuclear material and nuclear facilities; detection of malicious activities (such as illicit trafficking) involving nuclear and other radioactive materials; strengthening of State systems for nuclear material accountancy and control; security of radioactive material other than nuclear material; assessment of safety/security related vulnerabilities of nuclear facilities; response to malicious acts or threats thereof; adherence to international agreements and guidelines; and nuclear security coordination and information management for nuclear security related matters. In this context, I should emphasize that the activities proposed are not a substitute for national measures, nor can they diminish the primary responsibility of the State on all matters of security; rather they are designed to supplement and reinforce national efforts in areas where international cooperation is indispensable to the strengthening of nuclear security. Excerpts from my latest report to the Board on protection against nuclear terrorism are contained in the attachment to the present letter.

The Board agreed to the establishment of an extrabudgetary fund and called upon member States as a matter of urgency to contribute, on a voluntary basis, to such funding. The Agency has already received additional extrabudgetary contributions to support its response to the global problem of combating the risk of

nuclear terrorism. These funds will be utilized for the immediate implementation of the action plan noted above.

I should be grateful if you could bring this letter and its attachment to the attention of the members of the Security Council and arrange for its distribution as a document of the Council.

(*Signed*) Mohamed **ElBaradei**

Attachment

Protection against nuclear terrorism: specific proposals

Excerpts from a Report by the Director General
to the Board of Governors
of the International Atomic Energy Agency
March 2002

BACKGROUND

1. In the aftermath of the events of 11 September 2001, and in response to a request from the General Conference at its meeting immediately following those events, the Director General submitted a report to the Board of Governors entitled *Protection Against Nuclear Terrorism*. The report identified possible threats from acts of nuclear terrorism. It summarized the Agency's ongoing work in areas relevant to the prevention and mitigation of the consequences of such acts and outlined proposals for a number of "new and/or enhanced activities" (i.e. those not among the approved and budgeted programmatic activities) that the Secretariat considered necessary for responding effectively to threats of nuclear terrorism.

2. The Board of Governors considered the report at its session in November 2001. It urged Member States to provide the necessary financial support for the activities proposed by the Secretariat. The Director General was requested, in consultation with Member States, to review the proposed response of the Agency to the threat of nuclear terrorism and to submit a revised report for the Board's consideration at its March 2002 session.

3. The present report reflects the Secretariat's efforts to refine the original proposals, taking into account the views expressed by Member States. It describes with greater specificity the activities proposed by the Secretariat and their priorities.

ACTIVITIES SINCE NOVEMBER 2001

4. Since November 2001, the Secretariat has been able to take modest steps, within existing programmes, and within existing resources, to plan and initiate short term action on a number of activities[1] intended to respond to the increased threat of nuclear terrorism. This has only been possible, however, with a realignment of priorities, and associated reallocation of resources.

5. In connection with efforts to strengthen the physical protection regime, and in response to an invitation of the Director General, 43 States and the European Commission designated experts to participate in a meeting, held from 3 to 7 December 2001, of the Group of Legal and Technical Experts established to draft a "well-defined amendment to the Convention on the Physical Protection of Nuclear Material". After a general exchange of views, the Group was able to achieve a complete and detailed review of the scope of the potential amendments and agreed to continue its work at a second meeting to be held in March 2002.

[1] These include the convening of advisory group meetings, the carrying out of fact finding missions, the preparation of guidance material and the arrangement of training courses and workshops.

6. In early January, the Director General appointed a group of external experts, the Advisory Group on Nuclear Security (AdSec), to advise him "on the Agency's activities related to preventing, detecting and responding to terrorist or other malicious acts involving nuclear and other radioactive materials and nuclear facilities." The Group held its first meeting in February 2002.

CONFIDENTIALITY

7. The Agency has in place a regime for protecting confidential information that has functioned well over the years. This regime includes procedures that have been developed for the protection of specific categories of sensitive information, such as those related to safeguards confidential information.

8. The Agency has now taken additional steps to address Member State concerns about the protection of nuclear security related information which may be acquired or compiled by the Agency in the course of implementing the proposed measures. The existing confidentiality regime has been reviewed with a view to ascertaining whether there are additional measures for protecting nuclear security related information that should be implemented. In addition, a meeting of consultants was asked to look into the matter and to assist the Agency in identifying types of information requiring protection for security reasons, especially that related to the safety of radiation sources and of nuclear installations.

PROPOSED ACTIVITIES AND COST ESTIMATES

9. The threats to be addressed include the theft of a nuclear weapon, the acquisition of nuclear material to construct a nuclear weapon or to cause a radiological hazard, the acquisition of other radioactive materials to cause a radiological hazard, and violent acts against nuclear facilities to cause a radiological hazard:

a. *Theft of a nuclear weapon*: The theft of a nuclear weapon may be highly unlikely but it is a possibility that cannot be excluded – it would represent the most serious threat in terms of its potentially devastating consequences. To date, the Secretariat has not received any requests for assistance from States possessing nuclear weapons. Consequently, no activities to address this threat are proposed in the present report.

b. *Acquisition of nuclear material*: It is clear that there is a need to protect nuclear material at all times and at all locations, i.e. during its storage, use and transport, but that the level of protection varies from State to State. Actions are proposed to assist States in enhancing the physical protection of nuclear material and their ability to detect its loss and subsequent movement. The reported discovery of documents in Afghanistan showing that a terrorist organization was working towards building a nuclear weapon emphasizes the need to pursue this work vigorously.

c. *Acquisition of other radioactive material*: The security of other radioactive material is light in some States – keyed more to the protection of property than to radiological risk. As a consequence, radioactive sources are vulnerable to theft. Some are completely unprotected because they have become "orphaned" from regulatory control. Actions are proposed to assist States in developing controls and protection for radioactive material, in developing measures to detect their

theft and illicit trafficking, in locating and securing "orphan sources", and in responding to emergencies involving radioactive sources. The need for such measures has been demonstrated recently by the discovery in a Member State of two highly radioactive sources, and the Agency's work in assisting with their recovery and making them secure.

d. *Violent acts against nuclear facilities*: Protection against such acts involves both security and safety related measures. The Agency can help States to make facility specific assessments and co-ordinate the provision of assistance to implement necessary improvements. The Secretariat has already been approached by three States that would be interested in receiving general guidance on conducting their own security assessments, to be followed by an Agency review of the results.

Agency responses to address the above threats also include developing and promulgating standards, guidelines and recommendations, promoting adherence to international instruments, providing training to Member States where appropriate, and fostering information exchange.

10. The proposed activities would bring benefits for all States — including those without large nuclear programmes — by contributing to improved border controls, better protection of public health as a result of the increased security of sources, and the development of national mechanisms for response in the event of a radiological emergency. In addition, the development of a strengthened nuclear regulatory infrastructure through training would provide a more secure basis for the beneficial uses of radioactive sources in medicine, agriculture and water resources management.

Activity Areas

11. The Secretariat has regrouped the activities into eight areas:

I. Physical protection of nuclear material and nuclear facilities

Problems and issues to be addressed by the Agency: Adequate physical protection of nuclear material and nuclear facilities, including, in addition to the necessary technical measures, appropriate regulatory and administrative systems, is an essential element in the first line of defence against possible acts of terrorism. National measures for protecting nuclear material and facilities are uneven in their substance and application. There is wide recognition that the international physical protection regime needs to be strengthened. The means for providing direct and effective assistance to States in their efforts to evaluate, upgrade and/or establish the necessary technical measures and regulatory and administrative systems also need to be improved.

The *objective* is to further enhance the capacity of Member States to protect nuclear facilities, and nuclear material in use, storage or transport, against nuclear terrorism. This will be achieved, for example, by providing, on request, assessment services, together with associated advice and follow up actions to improve security arrangements at specific locations, by the provision of training, and through other supporting activities (such as the development of standards, guidelines and recommendations).

II. Detection of malicious activities involving nuclear and other radioactive materials

Problems and issues to be addressed by the Agency: Theft and illicit possession of, and illicit trafficking in, nuclear and other radioactive material are matters of international concern. If preventive measures fail, States need to have in place the means of detecting such incidents. There is currently no service available to assist States in evaluating their national detection capabilities, nor any internationally accepted guidelines for such detection capabilities – at borders or elsewhere – against which States can evaluate their national systems. In addition, the existing technology for the detection and monitoring of illicit trafficking, theft and illicit possession needs to be improved, and the staff of law enforcement organizations trained in the use of such technology.

The *objective* is to ensure that effective measures are in place to detect and interdict incidents of theft, illicit possession and illicit nuclear trafficking. This will be achieved, for example, by providing, on request, assessment services, training and technical support, and by co-ordinating the development by Member States of up-to-date detection instrumentation.

III. State systems for nuclear material accountancy and control

Problems and issues to be addressed by the Agency: An important first step against possible terrorist activities involving nuclear material is to ensure that all nuclear material in a State is properly accounted for at all times. The regulatory, technical and administrative mechanisms for achieving that end are commonly referred to collectively as State Systems for Accounting and Control (SSACs). An effective SSAC can deter terrorist activities and provide for their early detection. For an SSAC to be effective, a State must have in place legislative and regulatory systems requiring and ensuring that nuclear material is accounted for whether in storage, use or transport. The State must also have the technical capabilities necessary for performing measurements and analyses, and administrative systems to ensure proper recording and record-keeping. Although the Agency does have international training programmes on SSACs (in connection with the implementation of safeguards), there are currently no internationally agreed standards which would enable States to assess the effectiveness of their respective SSACs.

The *objective* is to ensure that all nuclear material in Member States is properly accounted for at all times. This will be achieved, for example, by providing assessment services, by co-ordinating technical support programmes provided by Member States, for example with respect to equipment upgrades and by training SSAC personnel.

IV. Security of radioactive material other than nuclear material

Problems and issues to be addressed by the Agency: The security of radioactive sources needs improvement in many States and is virtually non-existent in others. In order to protect the public and the environment from the radiological effects of possible terrorist acts, improved security needs to be provided in the acquisition, use and disposal of such sources, as well as the transport of radioactive material Moreover, events in recent years have revealed that a large number of significant radioactive sources are not under adequate control or are out of regulatory control (orphaned). These sources need to be located, secured and disposed of to reduce the risk of them being used to perpetrate malicious acts.

The *objective* is to improve national security measures with respect to radioactive material other than nuclear material and to ensure that significant, uncontrolled radioactive sources are brought under regulatory control and properly secured. This will be achieved by providing advisory services, by providing assistance to Member States in their efforts to identify, locate and secure or dispose of orphan sources, and through the preparation of standards, guidelines and recommendations.

V. Assessment of safety/security related vulnerability of nuclear facilities

Problems and issues to be addressed by the Agency: Although nuclear facilities are generally very robust structures, their design and operation need to be reviewed to identify systems or equipment vulnerable to malicious acts, such as sabotage. There does not currently exist a widely accepted methodology for identifying, assessing and addressing such vulnerabilities.

The *objective* is to strengthen the capability of Member States to assess the vulnerability of their nuclear facilities to possible malicious acts. This will be achieved through the development of a methodology to assist States in identifying vital areas in existing and new nuclear facilities and in assessing their protection against acts of sabotage or terrorism.

VI. Response to malicious acts, or threats thereof

Problems and issues to be addressed by the Agency: In the event of malicious acts (for example, illicit trafficking, theft or sabotage), a State needs to respond in an effective way to mitigate any effects of possible radiological emergencies. Experience has shown that not all States have adequate response capabilities or procedures. Possible terrorist threats involving the use of nuclear or other radioactive material bring an added dimension to be taken into account. The Agency's ability to assist States in responding to such incidents could be improved through the upgrading of its Emergency Response Centre.

The *objective* is to ensure that States and the Agency are able to respond effectively to the radiological aspects of acts of nuclear terrorism involving nuclear and other radioactive material. This will be achieved, for example, by strengthening the radiological emergency response of States through training and technical support, the development of standards, guidelines and recommendations, and the enhancement of the Agency's own arrangements to respond to radiological emergencies.

VII. Adherence to and implementation of international agreements, guidelines and recommendations

Problems and issues to be addressed by the Agency: There are a number of international agreements, guidelines and recommendations negotiated under the auspices of the Agency which are relevant to preventing nuclear and other radioactive material or nuclear facilities from becoming the target of terrorist activities. However, to be fully effective, universal adherence to and implementation of these international instruments are necessary. At present, a large number of States have not adhered to and/or implemented these instruments, and remain without the associated legal and regulatory framework.

The *objective* is to bring about the adherence to/implementation of international instruments relevant to the enhancement of protection against nuclear terrorism by a significantly increased number of States. This can best be achieved through outreach programmes to Member States through which the States' adherence to and implementation of such instruments could be encouraged, and solutions to the barriers thereto (e.g. inadequate legislation and/or regulatory structures) could be explored.

VIII. Nuclear security co-ordination and information management

Problems and issues to be addressed by the Agency: Effective assistance to a State in combating nuclear terrorism related threats requires measures based on an adequate understanding of the threat environment and the security situation pertaining in the State. This requires the compilation, evaluation and analysis of a wide range of internal and external information to support the activities of the Agency and Member States in nuclear security. In addition, to become effective, programmes implemented by States and international organizations require extensive co-ordination at both the international and the national levels. Better information on nuclear terrorism, actions taken to prevent such activities and progress in the implementation of support programmes needs to be made available to States and, as appropriate, to the general public.

The *objective* is to support and assist in the co-ordination of Agency and Member State activities to strengthen nuclear security. This will be achieved by establishing a well co-ordinated programme, by providing consolidated information, and through fostering information exchange with other international organizations.

Upgrades and Procurement

12. In the November document, the Secretariat included a proposal that would enable the Agency to respond expeditiously to urgent and severe problems identified in States. The proposal contemplated Agency assistance in the provision of equipment for physical protection upgrades at facilities and for detection equipment (for example, at border crossings), and in improving SSACs.

13. The Agency's assistance to States in enhancing the security of nuclear material, nuclear facilities and radioactive sources is at present primarily focused on: determining the general and specific needs of States; providing guidance to States on enhancing security; and, assisting States, upon request, in the appraisal of various aspects of their programmes. Recommendations are also provided on ways to improve both the national infrastructure and, where required, facilities, to bring overall security up to the standard of internationally accepted recommendations and practices. Although many of these recommendations for improvement are of high priority, there are countries where the resources are not available to implement them.

14. It is expected that, in many cases, State-to-State assistance would be available to satisfy the most significant needs. However, it is also anticipated that situations will be encountered where either money for a particular country is not available or a delay in finding support could be of concern. By way of example, this situation arose at a nuclear research reactor where, in the course of other activities, the Agency discovered that significant quantities of high enriched uranium were not adequately secured and that small fuel assemblies could easily be

stolen. Although the circumstances called for immediate action, State-to-State support was not readily available. Fortunately, on that occasion, the Agency was able to use extrabudgetary funds to make the necessary arrangements within a short period of time to secure the material in question.

15. It would be prudent for the Agency to have funds available from which to finance urgently required modifications rather than to forego such modifications or to await the results of the sometimes cumbersome and protracted process of securing State-to-State assistance. Physical upgrades, such as the provision of security systems and fences, for example, can be relatively expensive. Coupling this fact with the large number of installations which may be involved leads to the conclusion that the financing that will be required, for urgent upgrades alone, is likely to be substantial. Precise figures are difficult to estimate in advance, but the Secretariat's best judgement is that $20 million per year for the next three years for the provision of equipment for physical protection upgrades at facilities and for detection equipment at border crossings would be a reasonable figure until the situation could be assessed again in the light of actual experience.

FUNDING MECHANISMS

16. An analysis of comments provided by Member States on the funding mechanisms indicates that there is not yet consensus on the appropriate mechanism. However, there appears to be consensus on a number of related issues. Most States that commented on the funding of the "Upgrades and Procurement" activities recommended that such activities be addressed separately, and that they be funded through some voluntary mechanism. As regards funding of the other activities, all States seem to agree that flexibility (e.g. as provided by multi-year funding) is important. While many Member States support the establishment of a voluntary fund for those activities, a number of States also spoke of the eventual need for predictable assessed funding.

17. In light of the above, the Director General proposes the following:

a. The Director General will create an extrabudgetary fund for the receipt of voluntary contributions to the Agency in support of Agency activities described, generally, in paragraph 11, and in greater specificity in the more detailed description of proposed activities set out in Annex 1 to this document. This funding mechanism will be kept under review, and may be revisited in light of experience within the next year or two.

b. Should the Agency receive voluntary contributions to fund the activities described above in paragraphs 12–15 as "Upgrades and Procurement", the Director General will create an extrabudgetary fund for the receipt of such contributions.

CONCLUSION

18. The proposed activities presented in this report are the result of a co-ordinated Agency-wide effort to identify a comprehensive set of activities that would further contribute to the prevention and detection of, and response to, nuclear terrorism and threats thereof. They consist of a broad spectrum of activities which cut across a variety of ongoing Agency programmes. For the sake of transparency and ease of consideration by the Board, they are presented here as a separate package of measures, although they are all related to ongoing programmes. They would, at an appropriate later stage, be integrated, when and as approved,

into the existing programmes, subprogrammes and projects, but will be co-ordinated to ensure the effective and efficient use of Agency resources.

19. It is anticipated that, given the necessary financial and other resources, many of the outputs could be delivered within a period of three years, although a few could be completed within less time. However, there are a number of proposed activities which are foreseen to be ongoing. It should be noted that the proposed activities will continue to be reviewed internally with the assistance of the external Advisory Group on Nuclear Security. In making decisions in this regard, the Secretariat would be guided by the views of Member States and by progress that has been made towards the long term goals.[2]

20. In developing the proposals reflected in this report, the Secretariat has attempted to calculate, with a greater degree of precision, the cost of their implementation over a period of three years. The estimated costs are close to the initial projections for such activities. It is anticipated that $11.5 million will be required in the first year, $11.4 million in year two, and $10.7 million in year three. In addition, it is anticipated that some $20 million per year is needed for upgrades and procurement.

21. At its last meeting, the Board asked the Secretariat to indicate the priorities assigned to the proposed activities. After having reviewed all of the Member State comments, and notwithstanding that the Secretariat continues to believe that all the activities proposed in this report are important components of the overall strategy, it is the Secretariat's view that the following list reflects the highest priority activities:

- Increased number and scope of International Physical Protection Advisory Service (IPPAS) missions and other assessment services (e.g. regarding the safety/security vulnerability of nuclear installations).

- Locating and securing highly radioactive orphan sources.

- Assistance to Member States in implementing recommended improvements of State regulatory systems and security arrangements for nuclear material and nuclear installations.

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[2] The long term goals of this work are: comprehensive evaluation by all States of possible threats to their nuclear facilities and nuclear material; international standards established for the physical protection, safety and security of nuclear and other radioactive material, and universal adherence to these standards; effective physical protection systems in all States; improved overall capabilities of nuclear facilities to withstand acts of extreme violence; effective SSACs in all States; effective control and regulatory oversight of radioactive sources in all States; effective border monitoring for nuclear and other radioactive material installed at key crossing points; and effective system of international emergency response in the event of a radiological emergency caused by a malicious act.

- Promotion of adherence to international instruments.
- Increased training, and the development and conduct of new training with respect to improved security of nuclear and other radioactive material and nuclear facilities.

22. Should the Agency not receive the funds necessary to implement all of the proposed activities, the Director General will be guided by these priorities, the views of Member States and the advice of AdSec.

Annex I

Detailed description of proposed activities

I: PHYSICAL PROTECTION OF NUCLEAR MATERIAL AND NUCLEAR FACILITIES

Activity I.1: Developing standards, guidelines and recommendations for physical protection of nuclear material and nuclear facilities

Outcome: Availability in Member States of international consensus guidance to facilitate effective physical protection

Main outputs: Further guidance on physical protection will be developed to assist States in implementing their obligations under the Convention on the Physical Protection of Nuclear Material (CPPNM) and to supplement the general recommendations contained in INFCIRC/225/Rev.4. This may include, as appropriate, the preparation of a fifth revision of INFCIRC/225 to take into account the results of the current efforts to revise the CPPNM.

Activity I.2: Developing and improving physical protection methodology

Outcome: Ability of States to improve the physical protection of nuclear material and nuclear facilities in order to meet new threats

Main outputs: Methodologies will be established for developing and updating national design basis threat, for protecting nuclear facilities against an inside adversary, for identifying vital areas within a nuclear facility vulnerable to sabotage, and for preventing information technology from being used for terrorist purposes.

Activity I.3: Advisory services

Outcome: Awareness in Member States of changes required in physical protection measures to bring them into line with international practices

Main outputs: An expanded range of security related services based on the International Physical Protection Advisory Service (IPPAS) methodology will be developed. Modules and guidelines will be developed for the evaluation of the physical protection of: (a) nuclear power plants (including the evaluation of vulnerabilities of vital areas and equipment); (b) nuclear research reactors; (c) other nuclear fuel cycle facilities; (d) other nuclear research installations; and (e) nuclear transport.

Activity I.4: Providing for upgraded and improved physical protection of nuclear material, nuclear facilities and nuclear material in transport

Outcome: Improved physical protection of nuclear material, nuclear facilities and nuclear transport through more effective co-ordination of available bilateral and Agency resources to support required improvements in Member States based on recommendations generated in IPPAS missions

Main outputs: The Agency will increase the number of design basis threat workshops in Member States. Advice will be provided on the implementation of IPPAS recommendations to improve technical, administrative or regulatory systems. The Agency will co-ordinate available support for the implementation of those recommendations.[3]

Activity I.5: Training in physical protection

Outcome: Well trained staff at regulatory authorities and at nuclear facilities; increased awareness of the need for physical protection of nuclear material, nuclear facilities and transports at all times; and a recognition of the need to maintain a nuclear security culture

Main outputs: A comprehensive training programme will be offered to Member States, taking into account the different levels of need. New training courses will be developed on the implementation of INFCIRC/225, on the physical protection of nuclear power plants and research reactors, on the physical protection of nuclear fuel cycle facilities, and on evaluating the effectiveness of physical protection systems. Training will also be offered on the evaluation of physical protection of nuclear material during transport. Introductory training on IPPAS will be offered for new IPPAS participants.

II: DETECTION OF MALICIOUS ACTIVITIES INVOLVING NUCLEAR AND OTHER RADIOACTIVE MATERIALS

Activity II.1: Standards, guidelines and recommendations

Outcome: Availability of guidance to facilitate the establishment of the regulatory, technical and administrative systems required to detect and identify nuclear material and other radioactive material that may be involved in terrorist activities

Main outputs: Guidelines and recommendations will be developed for the detection and identification of nuclear and other radioactive materials that are the subject of illicit trafficking and other illegal activities. Criteria will be developed for checkpoint monitoring for radioactive material.

Activity II.2: Improved technology and instruments for detection of nuclear and other radioactive material in illicit trafficking

Outcome: More effective interdiction of illicit trafficking in nuclear and other radioactive materials

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[3] If necessary and urgent, and subject to availability of funding under "Upgrades and Procurement", the Agency may assist in the purchasing of relevant equipment.

Main outputs: ~~Tech~~nical guidance will be developed for relevant State authorities in respect of border monitoring equipment to detect illicit trafficking. The Agency will assist Member States in co-ordinating the development, testing and qualification of instruments for the detection of illicit trafficking of nuclear and other radioactive material.

Activity II.3: Advisory services

Outcome: Effective regulatory, technical and administrative systems to detect malicious acts involving nuclear and other radioactive material

Main outputs: The Agency will assist States, upon request, in appraising their capabilities to detect theft and illicit possession of, and illicit trafficking in, nuclear material and other radioactive material.

Activity II.4: Provision of training, technical support and equipment

Outcome: Well trained staff in law enforcement authorities, able to detect nuclear materials and other radioactive materials in malicious activities (e.g. illicit trafficking); model border crossing point with effective radiation monitoring

Main outputs: Regional and national training courses and workshops, as well as a "train-the-trainer" course, will be offered to Member States. One border crossing point will be established as a "model crossing point", with detection equipment to demonstrate the administrative and technical procedures for dealing with seizures of nuclear and other radioactive material.[4]

III: STATE SYSTEMS FOR NUCLEAR MATERIAL ACCOUNTANCY AND CONTROL

Activity III.1: Developing SSAC guidelines and recommendations

Outcome: Availability of guidance for assessing and improving State systems of accounting for and control of nuclear material (SSACs)

Main outputs: Up-to-date guidelines and recommendations will be prepared for the establishment, improvement and maintenance of an effective SSAC at the State level and the facility level. A handbook on nuclear material accounting, covering the recording of and reporting on nuclear material by States will be prepared.

Activity III.2: Advisory services

Outcome: Awareness in States of the level of compliance of SSACs with international requirements, guidelines and recommendations

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[4] If necessary and urgent, and subject to availability of funding under "Upgrades and Procurement", the Agency may assist in the purchasing of such equipment.

Main outputs: Upon request, international teams of experts will be assembled to evaluate SSACs (including the associated regulatory, administrative and technical systems) and to provide recommendations for improvements.

Activity III.3: Co-ordinated technical support programmes

Outcome: Improved capability of Member States to properly account for and control nuclear material; more effective use of bilateral resources to support required SSAC improvements. Enhanced co-operation among regional States

Main outputs: The project will make co-ordinated technical support programmes available to States in need of SSAC support, which will permit more effective use of resources in States that need SSAC improvements.

Activity III.4: SSAC upgrades

Outcome: Improved and more effective SSACs

Main outputs: Based on the findings of SSAC assessments and Agency evaluation missions,- the Agency will make recommendations for improvements and provide States with advice on obtaining, where appropriate, the necessary equipment.[5]

Activity III.5: SSAC training

Outcome: Well trained SSAC staff at regulatory authorities and nuclear facilities

Main outputs: A comprehensive training programme with international, regional and national training courses and workshops will be offered on a regular basis to States for SSAC personnel at the State and facility levels.

IV: SECURITY OF RADIOACTIVE MATERIAL OTHER THAN NUCLEAR MATERIAL

Activity IV.1: Enhanced ongoing activities

Outcome: Better control of significant radioactive sources in Member States

Main outputs: Training courses on the development and practical application of implementing national strategies for detecting and locating vulnerable sources will be held. National strategies will be modified to take account of the new perspectives on terrorism. A peer review service on major radiation sources, which is being established, will be expanded to include security, as well as safety, aspects. Regional workshops to follow up on the implementation of the Action Plan for the Safety and Security of

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[5] If necessary and urgent, and subject to availability of funding under "Upgrades and Procurement", the Agency may assist in the purchasing of such equipment.

Radioactive Sources will include a new emphasis on the security of radioactive sources. The Code of Conduct on the Safety and Security of Radioactive Sources will be reviewed with the objective of determining whether it can be enhanced with regard to security.

Activity IV.2: Standards, guidelines and recommendations on the security of radioactive sources

Outcome: Adequate guidance to Member States to establish effective security of radioactive materials, other than nuclear materials; the manufacture by States of radioactive sources less vulnerable to malicious acts

Main outputs: Safety standards requirements specifying the security necessary for Category I and II sources (as classified in the Code of Conduct of the Safety and Security of Radioactive Sources) will be published. A new procedure for appraising the security of significant sources against these requirements will be developed for use during expanded IPPAS missions. In addition, criteria for the design of Category I sources to minimize their vulnerability to malicious acts will be developed.

Activity IV.3: Assessing threats to, and vulnerabilities of, radioactive material consignments as potential targets for terrorist acts

Outcome: Reduced likelihood that radioactive material consignments would be targeted by terrorists or be vulnerable to acquisition and use by terrorists

Main outputs: Technical assessments will be prepared on: (a) radioactive material transport vulnerabilities; (b) radioactive material transport threat analysis methodology; (c) the behaviour of radioactive material packages under potential threat and the consequences thereof; and (d) the results of a Member State survey of security arrangements.

Activity IV.4: Establishing security standards for the transport of radioactive material

Outcome: Uniform international guidance on the security of transport of all radioactive materials

Main outputs: New safety standards requirements, "Security in the Transport of Radioactive Material", containing internationally recognized requirements for the security of consignments of radioactive material which are not currently in the existing Agency "Regulations for the Safe Transport of Radioactive Material", will be prepared.

Activity IV.5: Advisory services

Outcome: Clear understanding by States of their level of compliance with accepted international standards for the security of radioactive materials, other than nuclear materials, in storage, use and transport

Main outputs: ~~The~~ main outputs will be appraisals of the security of significant sources within IPPAS missions, resulting in recommendations for upgrading the security of significant sources and for the security of radioactive material in transport.

Activity IV.6: Locating and securing orphan sources

Outcome: Regulatory control of significant uncontrolled radioactive sources

Main outputs: Advice will be provided to Member States, upon request, in identifying, locating, securing and/or disposing of vulnerable radioactive sources.[6] In support of that assistance, technical criteria will be developed regarding when, where and how to monitor for radioactive material.

V: ASSESSMENT OF SAFETY/SECURITY RELATED VULNERABILITY OF NUCLEAR FACILITIES

Activity V.1: Safety/security of nuclear installations against malicious acts

Outcome: Reduction in the vulnerability of nuclear power plants and fuel cycle facilities to malicious acts

Main outputs: A methodology will be developed for identifying vital areas of nuclear facilities that would be vulnerable to malicious acts such as sabotage and acts of terrorism for addressing physical protection of vital areas of new nuclear facilities.

VI: RESPONSE TO MALICIOUS ACTS, OR THREATS THEREOF

Activity VI.1: Standards, guidelines and recommendations

Outcome: Ability of States to establish adequate procedures for operators and authorities to respond to terrorist acts involving nuclear material or other radioactive materials, nuclear facilities or transports

Main outputs: Guidelines and recommendations will be developed on responses to: (a) theft and illicit possession of, or illicit trafficking in, nuclear material, or threat thereof, (b) theft and illicit possession of, or illicit trafficking in, other radioactive material, or threat thereof, (c) smuggling of nuclear or other radioactive material and (d) an act, or a threat, of sabotage or terrorism against a nuclear facility or a nuclear transport that result in or threaten to result in a radiological release.

Activity VI.2: Strengthened radiological emergency response in States

Outcome: Capability of Member States to address radiological emergencies arising from malicious activities involving nuclear and other radioactive materials

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[6] If necessary and urgent, and subject to availability of funding under "Upgrades and Procurement", the Agency may assist in the implementation these activities.

Main outputs: Revised emergency response preparedness manuals will be issued. Emergency response exercises will be organized, and guidance on their preparation, conduct and evaluation will be provided. A training programme, including regional and national training courses and emergency response exercises, will be developed for staff in national emergency centres and for concerned law enforcement officers with response duties.

Activity VI.3: Enhanced Agency arrangements to respond to radiological emergencies

Outcome: Improved capability of Agency to address emergencies arising from terrorist activities involving nuclear and other radioactive materials

Main outputs: Agency emergency response arrangements will be improved with the specific aim of addressing radiological emergencies. Manuals will be issued and training provided (including the conduct of exercises for international response standby teams). Advice will be provided to Member States on the identification and characterization of seized nuclear and other radioactive material.

Activity VI.4: Advisory services

Outcome: Ability of States to establish effective response systems

Main outputs: A service will be offered, upon request, for evaluating State capabilities to respond to malicious acts and to the possible radiological consequences thereof.

VII: ADHERENCE TO AND IMPLEMENTATION OF INTERNATIONAL AGREEMENTS, GUIDELINES AND RECOMMENDATIONS

Activity VII.1: Encouraging States to adhere to and implement international instruments relevant to the enhancement of protection against nuclear terrorism

Outcome: Increased number of States having adhered to and implemented relevant international instruments and taken steps to establish the necessary legislative and regulatory system

Main outputs: Teams will conduct missions to specific States to hold meetings with policy makers to encourage Member States to adhere to and implement international instruments relevant to the enhancement of protection against nuclear terrorism, and to assist them in doing so.

VIII: NUCLEAR SECURITY CO-ORDINATION AND INFORMATION MANAGEMENT

Activity VIII.1: Nuclear security information and co-ordination

Outcome: Effective planning and implementation of nuclear security related programmes by the Agency and Member States

Main outputs: ~~More~~ complete information will be compiled and periodically updated to help direct and prioritize Agency nuclear security activities. An expanded information database will be established with information relevant to all types of malicious acts involving nuclear and other radioactive material and nuclear facilities. Analytical assessments of the information contained in the expanded database, including statistics, analysis of trends and observations, will be generated and shared with Member States. Procedures will be established, reviewed and maintained for the protection of the confidentiality of such information.

Activity VIII.2: Improved co-operation with other international organizations

Outcome: Effective co-operation and co-ordination with other international organizations

Main outputs: Better and more effective co-operation and co-ordination will be established with other relevant international organizations including in the development and implementation of the methodology for design basis threat assessment.

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Security Council

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Letter dated 18 April 2002 from the Permanent Representative of Georgia to the United Nations addressed to the President of the Security Council

Upon instruction of my Government, I have the honour to transmit herewith the statement of the Ministry of Foreign Affairs of Georgia regarding the escalation of the situation in Abkhazia, Georgia.

I should be most grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(*Signed*) Peter P. **Chkheidze**
Ambassador
Permanent Representative

02-34177 (E) 190402

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Annex to the letter dated 18 April 2002 from the Permanent Representative of Georgia to the United Nations addressed to the President of the Security Council

18 April 2002

Statement of the Ministry of Foreign Affairs of Georgia

Following the withdrawal of Russian Special Forces on 13 April 2002, in accordance with the agreement between the sides, from the Upper Kodory Valley, the Government of Georgia considered the incident to have been resolved and declared that efforts had to be directed towards revitalizing the peace process.

Unfortunately, despite this position, attempts are still being made to destabilize the situation in the conflict zone. In particular, representatives of the Russian Federation and the Abkhaz side continue to accuse the Georgian side in breaching the existing agreements. On numerous occasions overt threats of possible renewal of fighting were made. The Georgian side resolutely declares that such accusations are entirely unfounded. According to the agreement signed on 2 April of this year, in the Upper Kodory Valley there is not a single unit of the Ministry of Defence of Georgia. This can easily be verified by the mechanisms envisioned in the same agreement. Thus, the concentration of military forces near the Kodory Valley is aimed at defeating the peace process and stalling the United Nations proposed mechanism for activating the negotiations process.

According to our information, under the pretext of these false accusations, Abkhaz armed units and military equipment are being concentrated along the adjacent territories of the Kodory Valley and the Tkvarchli region, including near the villages of Merkheuli and Tsebeldi in the vicinity of the peacekeepers block-posts, mandated to control the entrance to the Valley.

Still considering that there is no alternative to a peaceful settlement of the conflict in Ab hazia, Georgia, the Georgian side will spare no effort to prevent the escalation of violence in the region and declares that, in the case of further deterioration of the situation, the responsibility will lay solely upon the organizers of possible provocations and the Russian peacekeepers.